

Kentucky Agricultural Development Fund
Kentucky Agricultural Finance Corporation

Annual Report July 2006-June 2007

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Executive Summary

aking a look back to the turn of the century it is amazing what Kentucky agriculture has accomplished in such a short amount of time. First, the passage of HB 611, creating the Agricultural Development Fund, the federal tobacco buy-out, breaking the \$4 billion level in farm gate receipts, and the success of our agricultural diversification efforts, just to name a few.

The proof of this success can be seen from the highways of the Commonwealth, in the stock-yards, and farmers' markets in our rural communities. Kentucky agriculture has a lot to be excited about and the unprecedented unity within the agricultural community allows our leaders to keep their eyes on the goal of improving our agriculture and rural economies.

Today, Kentucky agriculture is much more than food production. Kentucky has the only commercial scale facility in the world that extracts purified proteins and other value-added products from plants for the manufacturing of pharmaceuticals and other plant made products. This year, we saw the construction of Kentucky's first major biodiesel facility. Through the successes of diversification, Kentucky farmers are taking today's agriculture commodities and turning them into opportunities for tomorrow.

A great deal has been accomplished this year through partnerships with the Kentucky Department of Agriculture, University of Kentucky, College of Agriculture, Allied Food Marketers West and many others. Marketing and market development remained a top priority and efforts included: opening doors to retail markets; promoting the Kentucky Proud brand, making it one of the most recognized brands in the marketplace today; introducing the web-based MarketMaker program; and creating new opportunities for farmers to produce and add value to their commodities. This work chartered new territory and built relationships in the food industry that will benefit Kentucky farmers for years to come.

Because farmers face a world of constant change, agriculture leaders must continue to push forward and prepare for the future. Two important initiatives made this year began this preparation. First, the Agricultural Development Board approved a major initiative to update County Comprehensive Plans during 2007. Second, on March 15, 2007, Governor Ernie Fletcher hosted the first Summit on Agriculture that brought agriculture leaders together to begin the process of developing a strategic plan of action. He challenged agriculture leaders to bring forward a plan embracing the goals and objectives of the entire agricultural industry and one that creates a roadmap to guide Kentucky agriculture to a brighter and more profitable tomorrow. The development of that plan is well underway and should be completed by the end of 2007.

The successes of the past have created a positive environment in rural Kentucky and a more profitable, growing agriculture industry. One that is eager to build on its achievements and successes. On behalf of Kentucky's farm families, we thank Governor Fletcher and the General Assembly for the financial resources to keep Kentucky agriculture moving forward.

Long-term Plan Priorities

entucky's historic investment in agricultural diversification created an unprecedented opportunity for Kentucky farmers to access funds for agricultural diversification and the expansion of farm based enterprises. To provide a guide for this investment, Kentucky's agricultural community came together and created a long-term plan. In January 2002, the Kentucky Agricultural Development Board (KADB) approved Kentucky's first long-term plan for agricultural development, *Cultivating Rural Prosperity*. This plan is the blueprint for Kentuckians in addressing issues associated with agricultural growth and diversification in the Commonwealth as we begin the difficult task of changing an industry that is dependent upon tobacco.



Marketing and Market Development: Rebekah Grace has

Development: Rebekah Grace has helped expose Kentucky producers to the natural and organic food markets.

The Kentucky Agricultural Development Board focused this fiscal year on the following six priorities as they continued their commitment to funding agricultural diversification throughout the Commonwealth.

Priority #1

Marketing and Market Development

The Kentucky Agricultural Development Board has worked extensively with producers and commodity groups toward the development of the infrastructure for Kentucky agriculture. Investments in this area range from local farmers' markets to large-scale value-added processing. All of which are important in creating a comprehensive local, regional, and state marketing system for Kentucky farm products.



Access to Capital: Kentucky Agricultural Finance Corporation provides loans for agricultural facilities including structures that improve the profitability of a farming operation.

Priority #2

Improving Access to Capital

The Kentucky Agricultural Development Board recognizes that, while capital sources are generally available to producers, commercial lenders might be reluctant to provide financing for products and businesses where there is limited financial history. To address this concern, the KADB supported the reactivation of the Kentucky Agricultural Finance Corporation.

Priority #3

Financial Incentives for Environmental Stewardship

Developing environmental awareness in tandem with agricultural diversification is critical to the quality of Kentucky's rural communities. The Agricultural Development Fund continues to support statewide conservation efforts through direct budget appropriations for



Environmental Stewardship: The Kentucky Agricultural Development Board continues to support state wide conservation efforts through its programs and policies.

Long-term Plan Priorities



Education and Computer Literacy: Kentucky Community and Technical College System teaches farmers how to effectively use computer technology.

(Priority #3 Continued)

investments in conservation programs, farmland preservation, and rural waterline extension. The Kentucky Agricultural Development Board has also supported environmental stewardship through the approval of local programs designed to improve farm management techniques for long-term sustainability.

Priority #4

Farm Family Education and Computer Literacy

Farm families are the cornerstone of Kentucky's agricultural community. The Kentucky Agricultural Development Board is committed to strengthening and improving the accessibility of education and training programs tailored specifically for the needs of farm fami-

lies. Much of the funding in this area falls under the Kentucky Center for Agricultural Development and Entrepreneurship program, which is discussed in detail in the KCADE report.



Supporting Local Leadership:

The first Governor's Summit on Agriculture was held to give leaders across the state input on the future of agriculture in the Commonwealth.

Priority #5

Supporting Local Leadership

County Agricultural Development Councils and County Extension Agents are catalysts for change that is occurring in Kentucky's agricultural communities. Kentucky Agricultural Development Funds are being used to support this leadership by providing administrative funds for county councils. The Kentucky Agricultural Development Board recognizes the need to continue supporting the leadership efforts of the county agricultural development councils and the Cooperative Extension Service network, while developing programs to encourage local leadership in rural communities.



Research and Development:

The Board continues to support alternative energy sources such as Switchgrass that is shown in the above picture.

Priority #6

Research and Development

The Kentucky Agricultural Development Board recognizes the need to maintain strong commitments to applied research in existing farm product areas, as well as the importance of exploring the viability of high-value markets in non-traditional areas.

Entrepreneurship & Education

he mission of the Kentucky Center for Agricultural Development and Entrepreneurship (KCADE) is to advance statewide efforts to diversify the basis of Kentucky's agricultural economy by providing or coordinating: 1) technical assistance; 2) resource information; 3) cost-share grants; and 4) capacity building education, and hands-on training.

November 2006, the Agricultural Development Board's Marketing and Entrepreneurship Committee met to discuss KCADE's activities and made recommendations for 2007. In addition to maintaining GOAP as the staff for marketing, promoting, and administering KCADE programs with a staff member dedicated to KCADE, the committee made recommendations in the mission statement areas. The following are the recommendations by area and how they were accomplished.

Technical Assistance

The committee recommended partnering with other organizations to develop and provide regional training programs on business plan development. Staff discussed with the Kentucky Center for Agriculture and Rural Development the possibility of partnering to provide business planning education.

The committee directed staff to work with the UK College of Agriculture to provide a second round of funding for the Kentucky Entrepreneurial Coaches Institute (KECI) in a new region of the Commonwealth. KECI worked with staff and the board to identify the counties that would make up the new area for this program, which received \$883,545 for a two-year program in the following counties: Adair, Allen, Barren, Butler, Casey, Clay, Clinton, Cumberland, Edmonson, Green, Hart, Laurel, Marion, Metcalfe, Monroe, McCreary, Pulaski, Russell, Taylor, Warren, Washington, and Wayne.

Resource Information

To improve on the mission of identifying and providing other financial opportunities for entrepreneurs, the committee recommended the continued publishing of newsletters and grant notices, as well as research ways to leverage KCADE funds in all targeted areas of the mission statement. To communicate available resources to constituents, KCADE publishes three electronic newsletters for Kentucky's agriculture and rural communities.

Kentucky Agricultural Development Fund Update (KADFU): provides updates on the programs and policies of the Agricultural Development Fund [semi-monthly, 300 recipients]

KCADE Bulletin: articles that feature topics important to entrepreneurial businesses, such as capitol access, grant writing tips, electronic resources, and funding opportunities; also features an agricultural entrepreneur or service provider [quarterly, 600 recipients]

Grant Bytes: provides information on new funding opportunities [monthly, 600 recipients]

Cost-share Grants

Since its establishment, KCADE has supported market/feasibility studies, entrepreneurship development, technical assistance/education, and product research for a total of \$4,168,533.50 in grants. At its May 2007 meeting, the Kentucky Agricultural Development Board recommitted a total of \$943,000 for continuation of KCADE's grant program for agricultural entrepreneurs. There were 5 grants, totaling \$779,463, for fiscal year 2007. See Appendix C for specific projects.

The committee directed staff to develop a more customer friendly application for KCADE cost-share funds to be presented to the Board at the beginning of 2007. The existing application for all Agricultural Development Funds was modified and remains the application for KCADE funds.

Capacity Building Education/Training

Additionally, the committee noted that KCADE needs to focus on creating an environment for entrepreneurship in rural Kentucky. To accomplish this goal, the committee recommended the sponsorship of a minimum of four regional entrepreneurship training sessions in 2007 and the continuation of on-line information resources, as well as looking for new ways to promote regional resources. On-line information resources continue to be available. To date, the regional training sessions for entrepreneurship have not been executed.

County Model Programs

ounty Model Programs provide assistance to individual producers through local administrative organizations. They are designed to provide farmers with cost-share funds giving them the opportunity to improve and diversify their current production practices. The following fourteen model programs are offered throughout the Commonwealth.

The Agricultural Diversification Program is designed to improve net farm income through the development and expansion of new agricultural products and new ways of working with existing agricultural commodities.

The Cattle Genetics Improvement Program is designed to increase the genetic quality of beef and dairy cattle in Kentucky through the selection of superior sires, either through purchase/ lease of sires or semen.

The Cattle Handling Facilities
Program is designed to improve
and promote best management and
health practices that augment efficient production and marketing
opportunities.

The Commercial Poultry
Program is designed to enable
farmers involved in poultry production to expand the scope of their
enterprise and/or modernize their
facilities in order to improve profitability.

The **Dairy Diversification Program** is designed to encourage and assist existing and new dairy producers in renovating and modernizing dairy facilities.

The Farm Livestock Fencing Improvement Program is designed to improve pasture quantity, quality, and efficient use for livestock producers.

The Forage Improvement and Utilization Program is designed to improve forage quality, quantity, and efficient use, as well as, encourage science-based forage management decisions.

The Goat and Sheep Diversification Program is designed to assist producers in diversifying into goat and sheep production by promoting animal health and improving the genetic base of Kentucky's goat and sheep herds.



The Hay Straw and Commodity Storage Program is designed to employ best practices related to storage and utilization of feed, hay and straw, thus improving feed and straw quality and animal nutrition.

The On-Farm Water Enhancement Program is designed to provide farmers the opportunity to adopt a proactive and systematic approach to expand existing water supplies or to develop alternative water resources.



The Shared-Use Equipment Program is designed to impact a high number of producers who cannot justify ownership expenses associated with certain equipment by helping them access technology necessary to improve their operation in an economic manner.

The **Swine Diversification Program** is designed to enable a farmer to begin a swine enterprise and allow producers already engaged in swine production to expand/modernize the scope of their enterprise.

The **Technology Program** is designed to improve farm operation efficiency and assist producers already exploring the use of technology, or wanting to start exploring technology, in their operations.

The Timber Production, Utilization, and Marketing Program is designed to develop new revenue sources for farmers through growing and utilizing existing and new natural resources and to promote timber production and processing in areas not suitable for crop or livestock production.

Agricultural Development Board & Staff

Statutory Members

Ernie Fletcher, Chair Governor of Kentucky

Richie Farmer, Vice-Chair Commissioner of Agriculture

John Hindman

Secretary, Economic Development Cabinet

Dr. M. Scott Smith

Director, Kentucky Cooperative Extension Service

Governor Appointees

Donna Amburgey

Montgomery County Cattle, Tobacco, Corn, and Hay

Term Expires: July 2007

H.H. Barlow

Barren County
Dairy and Cash Hay Producer
Term Expires: July 2007

Vickie Yates Brown

Jefferson County Attorney with farm experience Term Expires: July 2010

John Cleaver

Nicholas County Tobacco, commercial cattle and alfalfa hay producer Term Expires: July 2008

Rodney Dick

Pulaski County Tobacco, cattle, and hay producer

Term Expires: July 2009

Dennis Griffin

Kenton County
Hay/forage, cattle, and tobacco
producer

Term Expires: July 2008

Wayne Hunt

Christian County
Cash grain and tobacco
producer; Agribusiness owner
Term Expires: July 2010

Sam Lawson

Warren County Kentucky Chamber of Commerce

Term Expires: July 2007

Jim Mahan

Fayette County
Cattle, tobacco, alfalfa hay,
grass & clover hay, and grain
producer

Term Expires: July 2008

Wayne Mattingly

Daviess County Agricultural Lender Term Expires: July 2010

Sam Moore

Butler County Past President of Kentucky Farm Bureau Term Expires: July 2009

GOAP Staff

Keith Rogers

Executive Director

Stacia Alford

Administrative Assistant

Catherine Ball

General Counsel

Angela Blank

Communications Officer

Brian Furnish

Deputy Director

Sandra Gardner

Compliance & Outreach Specialist/Center for Agricultural Development & Entrepreneur-

ship

Todd Harp

Project Analyst

Bill Hearn

Budget Officer

Tim Hughes

KY Agricultural Finance Corporation Marketing & Business Development Coordinator

Katie Keaton

Administrative Assistant

Christi Marksbury

Executive Assistant
Kentucky Agricultural
Development Board Secretary

Bill McCloskey, III

Project Analyst

Joel Neaveill

Deputy Director for Administration Phase II Tobacco Settlement Coordinator

Nicole Ray

Administrative Assistant KY Agricultural Finance Corporation Board Secretary

Kylee Smith

Program Compliance Specialist

Nick Whobrey

Project Analyst

Stephen Yates

Project Analyst

Appendix A: Fiscal Year 2007

AGRICULTURAL DEVELOPMENT FUND

FUNDS	STATE Tobacco Account	STATE General Fund Account	COUNTY	TOTAL	COUNTY
ADF Beginning Cash - July 2006	21,094,567	16,499,503	0	37,594,070	16,302,342
Transfers In	8,151,793	3,000,000	18,843,176	29,994,969	18,843,176
Revenue					684,564
Sub-total Funds	29,246,360	19,499,503	18,843,176	67,589,039	35,830,082
EXPENDITURES					
Disbursements/Expenditures	1,193,627	14,958,799	0	16,152,426	15,212,765
Transfers Out			<u>18,843,176</u>	<u>18,843,176</u>	
Sub-total	1,193,627	14,958,799	18,843,176	34,995,602	15,212,765
Cash Balances	28,052,733	4,540,704	0	32,593,437	20,617,317
Grants - Unexpended Commitments	5,705,820	4,540,704	0	10,246,524	6,610,828
Grants Balances	22,346,913	0	0		14,006,489

^{*}The General Fund Account represents tobacco funds taken or the fulfillment of the final Phase II tobacco settlement payment but were replaced upon fulfillment of the Tobacco companies' obligation.

Appendix B: Program Investments

Adair County

Model Program Amount Cattle Handling Facilities \$140,000

Allen County

Model Program Amount \$ 55,000 Cattle Genetics Improvement Cattle Handling Facilities \$135,000 Hay, Straw, & Commodity Storage \$ 75,000

Anderson County

Model Program Amount Shared-Use Equipment \$ 5,350

Non-Model Project

Anderson County Farm Bureau \$136,097

Anderson County Farm Bureau was approved for \$136,097 in Anderson County funds to administer a menu program for eleven model programs including: Technology, Agricultural Diversification, Timber, Hay, Straw and Commodity Storage, On-Farm Water, Forage Improvement and Utilization, Cattle Genetics, Farm Livestock Fencing, Cattle Handling Facilities, Goat and Sheep Diversification, and Swine Diversification.

Anderson County Farm Bureau

Anderson County Farm Bureau was approved for \$142,811 in Anderson County funds to administer a menu approach for eleven model programs including: Agricultural Diversification; Dairy Diversification; Farm Livestock Fencing; Hay, Straw & Commodity Storage; On-Farm Water Enhancement; Cattle Handling Facilities; Cattle Genetics; Swine Diversification; Timber Production & Utilization; Goat & Sheep Diversification; and Forage Improvement and Utilization.

Ballard County

Model Program Amount Hay, Straw, & Commodity Storage \$157,740 Commercial Poultry Diversification \$104,000 Barren

Model Program	Amount		
Agricultural Diversification	\$ 27,000		
Cattle Genetics Improvement	\$110,000		
Dairy Diversification	\$150,000		

Forage Improvement & Utilization \$165,000

Bath County

Non-Model Project Amount Bath County Cattleman's \$ 52,500 Association

The Bath County Cattleman's Association was approved for \$52,500 in Bath County Funds to administer a menu approach for three model programs including: Cattle Genetic Improvement, Cattle Handling Facilities, and Farm Livestock Fencing.

Bath County Conservation District \$105,000

The Bath County Conservation District was approved for \$105,000 in Bath County funds to administer a menu approach for three model programs including: Hay, Straw, and Commodity Storage, Forage Improvement and Utilization, and Agricultural Diversification.



Boone County

Model Program	Amount	
Agricultural Diversification	\$ 50,000	
Cattle Genetics Improvement	\$ 30,000	
Farm Livestock Fencing	\$112,000	
Forage Improvement & Utilization	\$ 20,000	

Non-Model Project

Farm Haven \$50,000

Farm Haven, LLC was approved for \$50,000 in state funds as part of the 2006 Agri-tourism Competitive Awards Program to construct a sugar shack for maple syrup production.

Bourbon County

Model Program	Amount	
Cattle Genetics Improvement	\$ 63,000	

Cattle Handling Facilities	\$ 90,950	Bullitt County Model Program	Amarınt
Forage Improvement & Utilization	\$ 53,694	3	Amount
Goat & Sheep Diversification	\$ 10,500	Agricultural Diversification	\$ 5,000
Hay, Straw, & Commodity Storage	e \$107,000	Cattle Genetics Improvement	\$20,000
On-Farm Water Enhancement	\$ 94,500	Cattle Handling Facilities	\$20,000
Boyle County		Dairy Diversification	\$ 6,500
Model Program	Amount	Forage Improvement & Utilization	\$25,000
Agricultural Diversification	\$ 10,300	Goat & Sheep Diversification	\$50,000
Dairy Diversification	\$ 4,000	Hay, Straw, & Commodity Storage	\$30,066
Farm Livestock Fencing	\$103,000	On-Farm Water Enhancement	\$ 6,775
Forage Improvement & Utilization	\$103,000	Technology	\$ 5,000
Goat & Sheep Diversification	\$ 11,636	Non-Model Project	
Bracken County		Wight-Meyer Vineyard and Winery	\$50,000
Model Program	Amount	The Wight-Meyer Vineyard and Wi	
Agricultural Diversification	\$ 42,000	was approved for \$50,000 in state funds as part of the Agri-tourism Competitive Grant	
Non-Model Project		Program to expand the winery tas and to add and event pavilion.	ting room
Bracken County Ag Advancement	\$262,500	Dutley County	
		Butler County	
Council		Model Program	Amount
Council The Bracken County Ag Advancem was approved for \$262,500 in Bra	cken County		
Council The Bracken County Ag Advancem	cken County am for four	Model Program Hay, Straw, & Commodity Storage	
Council The Bracken County Ag Advancem was approved for \$262,500 in Brafunds to administer a menu progr model programs including: Cattle Facilities, Technology, Farm Lives	cken County am for four Handling tock Fencing,	Model Program	
Council The Bracken County Ag Advancem was approved for \$262,500 in Brafunds to administer a menu progr model programs including: Cattle Facilities, Technology, Farm Lives and Hay, Straw and Commodity S	cken County am for four Handling tock Fencing,	Model Program Hay, Straw, & Commodity Storage Caldwell County	e \$66,417
Council The Bracken County Ag Advancem was approved for \$262,500 in Brafunds to administer a menu progr model programs including: Cattle Facilities, Technology, Farm Lives	cken County am for four Handling tock Fencing,	Model Program Hay, Straw, & Commodity Storage Caldwell County Non-Model Project	e \$66,417 Amount \$50,000
The Bracken County Ag Advancem was approved for \$262,500 in Brafunds to administer a menu programodel programs including: Cattle Facilities, Technology, Farm Lives and Hay, Straw and Commodity Services and Hay Servic	cken County am for four Handling tock Fencing, torage.	Model Program Hay, Straw, & Commodity Storage Caldwell County Non-Model Project Black Oak Vineyard	## \$66,417 Amount \$50,000 for the Agri-
The Bracken County Ag Advancem was approved for \$262,500 in Brafunds to administer a menu progr model programs including: Cattle Facilities, Technology, Farm Lives and Hay, Straw and Commodity S Breathitt County Model Program	acken County am for four Handling tock Fencing, torage. Amount	Model Program Hay, Straw, & Commodity Storage Caldwell County Non-Model Project Black Oak Vineyard Black Oak Vineyard was approved \$50,000 in state funds as part of the storage of t	Amount \$50,000 for the Agri- am to
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The Bracken County Ag Advancem was approved for \$262,500 in Brafunds to administer a menu progr model programs including: Cattle Facilities, Technology, Farm Lives and Hay, Straw and Commodity S Breathitt County Model Program Agricultural Diversification Cattle Handling Facilities Farm Livestock Fencing	Amount \$36,750 \$26,300 \$15,750	Model Program Hay, Straw, & Commodity Storage Caldwell County Non-Model Project Black Oak Vineyard Black Oak Vineyard was approved \$50,000 in state funds as part of tourism Competitive Awards Progrenovate and expand their wine modilities. Calloway County	Amount \$50,000 for the Agri- tam to taking fa-
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The Bracken County Ag Advancem was approved for \$262,500 in Brafunds to administer a menu programodel programs including: Cattle Facilities, Technology, Farm Livest and Hay, Straw and Commodity Signature of Program Agricultural Diversification Cattle Handling Facilities Farm Livestock Fencing Forage Improvement & Utilization Hay, Straw, & Commodity Storage Breckinridge County Model Program	Amount \$15,750 Amount Amount \$26,300	Model Program Hay, Straw, & Commodity Storage Caldwell County Non-Model Project Black Oak Vineyard Black Oak Vineyard was approved \$50,000 in state funds as part of tourism Competitive Awards Programenovate and expand their wine modilities. Calloway County Model Program Technology Non-Model Project Jackson Purchase RC&D Jackson Purchase Resource Conse Development Foundation Inc. was for \$7,655 in Calloway County fundation.	Amount \$50,000 for the Agriam to laking fa- Amount \$54,201 \$7,655 rvation & approved ds to offer
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Campbell County

Non-Model Project Amount

Campbell County Conservation \$33,152 District

Campbell County Conservation District was approved for \$33,152 in Campbell County funds to administer a menu approach for six model programs including: Cattle Handling Facilities, Cattle Genetics, Agricultural Diversification, Forage Improvement and Utilization, Hay, Straw and Commodity Storage, and Farm Livestock Fencing.

Campbell County Conservation \$ 8,000 District

The Campbell County Conservation District was approved for \$8,000 in Campbell County funds to administer the Hay Handling Pilot Program for Campbell County.

Carlisle County

Model Program	Amount
Hay, Straw, & Commodity Storage	\$26,250
Technology	\$26,250
Non-Model Project	
Carlisle County Fiscal Court	\$10,000

Carlisle County Fiscal Court was approved for \$5,000 in Carlisle County funds and \$5,000 in state funds as part of the 2006 Farmers' Market Competitive Awards Program to purchase a portable building for the Farmers' Market

Carroll County

Non-Model Project	An	nount
Carroll County 4-H Council	\$	500

Carroll County 4-H Council, Inc. was approved for \$500 in Carroll County funds for renovation of the Carroll County Livestock Facility.

Carroll County Agriculture \$11,279 Development Fund, Inc.

Carroll County Agriculture Development Fund, Inc. was approved for \$11,279 in Carroll County Funds to administer the Satellite Broadband Program for Carroll County producers Carroll County Agriculture \$1 Development Fund, Inc.

\$113,000

Carroll County Agriculture Development Fund, Inc. was approved for \$113,000 in Carroll County funds to administer a menu approach for six model programs including: Farm Livestock Fencing, Hay, Straw & Commodity Storage, On-Farm Water Enhancement, Cattle Handling Facilities, Cattle Genetics Improvement, and Forage Resource Improvement and Utilization.

Carroll County Agriculture \$ 20,000 Development Fund, Inc.

Carroll County Agriculture Development Fund, Inc. was approved for \$20,000 in Carroll County funds to administer a menu approach for four model programs including: Agricultural Diversification, Dairy Diversification, Timber Production & Utilization, and Goat & Sheep Diversification.

Carter County

Model Program	Amount
Agricultural Diversification	\$ 23,858
Cattle Genetics Improvement	\$ 28,125
Cattle Handling Facilities	\$ 37,873
Farm Livestock Fencing	\$ 52,434
Forage Improvement & Utilization	\$ 41,013
Goat & Sheep Diversification	\$ 3,913
Hay, Straw, & Commodity Storage	\$139,205

Casey County

Model Program	Amount	
Forage Improvement & Utilization	\$450,000	

Non-Model Project

Casey County Farm Bureau \$350,000

Casey County Farm Bureau was approved for \$350,000 in Casey County funds to administer a menu approach for eleven model programs including: Agricultural Diversification; Dairy Diversification; Farm Livestock Fencing; Hay, Straw & Commodity Storage; On-Farm Water Improvement; Cattle Handling Facilities; Cattle Genetics; Swine Diversification; Timber Production & Utilization; Goat & Sheep Diversification; and Technology.

Christian County

Non-Model Project Amount

Christian County Agri-Business \$300,000

Association, Inc.

The Christian County Agri-Business Association, Inc. was approved for \$300,000 in Christian County funds to administer a menu approach for eleven model programs including: Agricultural Diversification; Cattle Genetics Improvement; Cattle Handling Facilities; Commercial Poultry; Dairy Diversification; Forage Improvement and Utilization; Goat & Sheep Diversification; Hay, Straw, & Commodity Storage; On-Farm Water Enhancement; Farm Livestock Fencing; and Technology.

Christian County Board of \$ 55,000 Education

The Christian County Board of Education was approved for \$55,000 in Christian County funds for the construction and equipment cost of a greenhouse to be located at Christian County High School.

Clark County

Model Program	Αı	mount
Cattle Handling Facilities	\$	25,000
Farm Livestock Fencing	\$1	104,000
Forage Improvement & Utilization	\$	14,000
Goat & Sheep Diversification	\$	15,000
Hay, Straw, & Commodity Storage	\$1	104,000

Non-Model Project

Beech Spring Farm Market, LLC \$ 50,000

The Beech Spring Farm Market, LLC was approved for \$50,000 in state funds as part of the 2006 Agri-tourism Competitive Awards Program to purchase a large cooler and install a certified kitchen at their on-farm market.

Clay County

wodel Program	Amoun
Shared-Use Equipment	\$2,815

Clinton County

Model Program	Amount
Agricultural Diversification	\$ 29,000

Non-Model Project

Clinton County Farm Bureau \$125,000

The Clinton County Farm Bureau Inc. was approved for \$125,000 in Clinton County Funds to administer a menu approach for six model programs including: Hay, Straw and Commodity Storage, Cattle Handling Facilities, Farm Livestock Fencing Improvement, Dairy Diversification, Cattle Genetics Improvement and Agricultural Diversification.

Cumberland County

Non-Model Project	Amount

City-County Fair Association, Inc. \$30,000

The City-County Fair Association, Inc. was approved for \$15,000 in Cumberland County Agricultural Development Funds and \$15,000 in state funds to finish construction on a permanent marketing facility.

Clinton/Cumberland Cattlemen's \$80,000 Association

The Clinton/Cumberland Cattlemen's Association was approved for \$80,000 in Cumberland County funds to administer a menu approach for five model programs including: Forage Improvement and Utilization, Farm Livestock Fencing Improvement, Hay, Straw & Commodity Storage, Cattle Handling Facilities, and Cattle Genetics Improvement.

Cumberland County Board of \$60,000 Education

Cumberland County Board of Education was approved for \$60,000 in Cumberland County funds for the construction and equipment cost of a greenhouse to be located at Cumberland County High School.



Daviess County

Model Program	Αı	mount
Agricultural Diversification	\$	39,510
Cattle Genetics Improvement	\$	9,164
Commercial Poultry Diversification	\$	42,000
Hay, Straw, & Commodity Storage	\$1	142,800
Shared-Use Equipment	\$	700
Swine Diversification	\$	5,000

Non-Model Project

Owensboro Biotech Alliance, Inc. \$ 5,000

Owensboro Biotech Alliance, Inc. was approved for \$5,000 in Daviess County funds to continue its work on the promotion of agriculture based biotechnology.

Trunnell's Farm Market \$ 74,553

Trunnell's Farm Market was approved for \$62,240 in state funds, \$1,313 in McLean County funds, and \$11,000 in Daviess County funds to construct a farm retail operation.

Edmonson County

Non-Model Project	Amount
Edmonson County Conservation District	\$49,000

Edmonson County Conservation District was approved for \$49,000 in Edmonson County funds to administer a menu approach for eight model programs including: Agricultural Diversification; Dairy Diversification; Hay, Straw & Commodity Storage; Cattle Handling Facilities; Cattle Genetics Improvement; Goat & Sheep Diversification; Commercial Poultry; and Forage Improvement.

Elliott County

Model Program	Amount
Agricultural Diversification	\$15,000
Cattle Genetics Improvement	\$20,000
Cattle Handling Facilities	\$30,000
Forage Improvement & Utilization	\$28,000
Goat & Sheep Diversification	\$ 9,000
Hay, Straw, & Commodity Storage	\$40,952
On-Farm Water Enhancement	\$25,000

Non-Model Project

Elliott County Fiscal Court \$13,000

The Elliott County Fiscal Court was approved for \$13,000 in Elliott County funds to administer a Pilot Cervid Livestock Farming Program.

Estill County

Model Program	Amount
Forage Improvement & Utilization	\$40,000

Non-Model Project

The Estill County Cattlemen's \$94,500 Association, Inc.

The Estill County Cattlemen's Association, Inc. was approved for \$94,500 in Estill County Funds to administer a menu approach for four model programs including: Cattle Genetics Improvement, Farm Livestock Fencing Improvement, Cattle Handling Facilities, and Hay, Straw, and Commodity Storage.

Fayette County

Model Program	Ar	mount
Agricultural Diversification	\$	75,000
Cattle Genetics Improvement	\$	30,000
Cattle Handling Facilities	\$	40,000
Farm Livestock Fencing	\$	75,000
Forage Improvement & Utilization	\$	50,000
Hay, Straw, & Commodity Storage	\$	60,000
On-Farm Water Enhancement	\$1	71,200
Shared-Use Equipment	\$	8,636
Technology	\$	30,000

Non-Model Project

Leuchemix, Inc.	\$	17,973
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Leuchemix, Inc. was approved for \$17,973 in state funds to contract with Kentucky farmers to grow feverfew plants for the next phase of the applicant's research and development plan which is the Phase II clinical trials.

Fleming County

Model Program	Amount
Agricultural Diversification	\$15,000

Non-Model Project

Fleming County Board of Education \$18,623

The Fleming County Board of Education was approved for \$18,623 in Fleming County funds to expand and improve the Fleming County High School FFA and Agriculture Livestock Facility.

Floyd County

Model Program	Amount
Shared-Use Equipment	\$ 1,400
Franklin County	
Model Program	Amount
Model Program Goat & Sheep Diversification	Amount \$10,000

The Franklin County Fair and Horseshow Association, Inc. was approved for \$12,488 in Franklin County funds to enhance the state of the art livestock facility currently under construction at Lakeview Park.

\$12,488

Gallatin County

Franklin County Fair and

Horseshow Association, Inc.

Non-Model Project	Amount
Gallatin County Agricultural Diversification Association, Inc.	\$30,000

The Gallatin County Agricultural Diversification Association, Inc. was approved for \$30,000 in Gallatin County Funds to administer a menu approach for five model programs including: Agricultural Diversification; Dairy Diversification; Timber Production and Utilization; Goat and Sheep Diversification; and Technology.

Gallatin County Livestock	\$15,000
Association, Inc.	

The Gallatin County Livestock Association, Inc. was approved for \$15,000 in Gallatin County funds to administer a satellite broadband program in Gallatin County.

Gallatin County Livestock	\$30,000
Association Inc	

The Gallatin County Livestock Association, Inc. was approved for \$30,000 in Gallatin County Funds to administer a menu approach for six model programs including: Hay, Straw, and Commodity Storage; Farm Livestock Fencing; Cattle Handling Facilities; Cattle Genetics Improvement; Forage Improvement and Utilization; and Technology.

Garrard County

Model Program	Amount
Cattle Genetics Improvement	\$25,000
Cattle Handling Facilities	\$70,000
Farm Livestock Fencing	\$42,500
Forage Improvement & Utilization	\$52,500
Hay, Straw, & Commodity Storage	\$42,500
Non-Model Project	
Garrard County Farm Bureau	\$40,000

Garrard County Farm Bureau was approved for \$40,000 in Garrard County funds to administer a menu approach for six model programs including; Agricultural Diversification; Dairy Diversification; On-Farm Water Enhancement; Swine Diversification; Goat & Sheep Diversification; and Technology.

Grant County

Model Program	Amount
Agricultural Diversification	\$40,000
Cattle Genetics Improvement	\$20,000
Cattle Handling Facilities	\$20,000
Farm Livestock Fencing	\$40,000
Forage Improvement & Utilization	\$20,000
Goat & Sheep Diversification	\$20,000
Hay, Straw, & Commodity Storage	\$40,000

Non-Model Project

Grant Count	v Farm Bureau	\$20,000
Grant Count	y i ai iii bui cau	Ψ Z U,000

The Grant County Farm Bureau was approved for \$20,000 in Grant County funds to administer a menu approach for six model programs including: On-Farm Water Enhancement, Dairy Diversification, Swine Diversification, Timer Production & Utilization, Commercial Poultry, and Technology.

Graves County

Model Program	Amount

Hay, Straw, & Commodity Storage \$67,000

Grayson County			
Model Program	Amount		
Cattle Genetics Improvement	\$62,000		
Cattle Handling Facilities	\$20,000		
Dairy Diversification	\$14,000		
Forage Improvement & Utilization	\$55,000		
Shared-Use Equipment	\$11,970		

Green County

Model Program	Amount
Farm Livestock Fencing	\$ 73,500
Niero Mandal Broadens	

Non-Model Project

Green County Cattlemen's	\$260,000
Association, Inc.	

The Green County Cattlemen's Association, Inc. was approved for \$260,000 in Green County funds to construct an agricultural marketing and education center.

Green County Cattlemen's . \$118,500 Association, Inc.

The Green County Cattlemen's Association, Inc. was approved for \$118,500 in Green County funds to administer a menu approach for the Cattle Handling Facilities Program, Cattle Genetics Improvement Program, Forage Resource Improvement and Utilization Program, and the On-Farm Water Enhancement Program.

Greenup County

Model Program	Amount
Forage Improvement & Utilization	\$52,500
Hay, Straw, & Commodity Storage	\$52,500
Non-Model Project	
Bennett's Mill Farm, LLC	\$50,000

Bennett's Mill Farm, LLC was approved for \$50,000 in state funds as part of the 2006 Agri-tourism Competitive Awards Program to remodel a tobacco barn and build a commercial grade kitchen.

Hancock County

Model Program		nount
Agricultural Diversification	\$	6,500
Cattle Genetics Improvement	\$	16.632

Cattle Handling Facilities	\$	15,000
Forage Improvement & Utilization	\$2	226,547
Hay, Straw, & Commodity Storage	\$	19,729
Non-Model Project		
Hancock County Fiscal Court	\$	27,280

The Hancock County Fiscal Court was approved for \$13,640 in Hancock County funds and \$13,640 in state funds as part of the 2006 Farmer's Market Competitive Awards Program to construct a permanent Farmers' Market facility in Hancock County.

Hardin County

Model Program	Amount
Goat & Sheep Diversification	\$25,582
Hay, Straw, & Commodity Storage	\$85,000
Swine Diversification	\$52,000
Non-Model Project	
Hardin County Extension District Board	\$10,000

The Hardin County Extension District Board was approved for \$10,000 in Hardin County funds to support the Hardin County Beef "Pasture to Plate" Project.

Harrison County

Model Program	Amount
Agricultural Diversification	\$ 17,388
Cattle Genetics Improvement	\$ 52,500
Cattle Handling Facilities	\$ 70,000
Farm Livestock Fencing	\$ 50,000
Forage Improvement & Utilization	\$ 70,000
Goat & Sheep Diversification	\$ 5,000
Hay, Straw, & Commodity Storage	\$200,000
On-Farm Water Enhancement	\$ 75,000

Non-Model Project

Harrison County Beef Cattle \$ 75,000 Association

The Harrison County Beef Cattle Association was approved for \$75,000 in Harrison County Funds to administer a Heifer Replacement Program.

Hart County

Model Program	Amount	
Farm Livestock Fencing	\$ 50,000	
Forage Improvement & Utilization	\$104,834	

Non-Model Project

Hart County Cattlemen's \$150,000 Association

The Hart County Cattlemen's Association was approved for \$150,000 in Hart County funds to administer a menu approach for three model programs including: Cattle Genetics Improvement; Cattle Handling; and Dairy Diversification.

Roundstone Native Seed \$ 42,000

Roundstone Native Seed was approved for \$42,000 in Hart County funds to purchase specialized seed cleaning and separation equipment as part of an expansion project.

Henderson County

Model Program	Amount
Agricultural Diversification	\$22,297
Cattle Genetics Improvement	\$ 6,304
Cattle Handling Facilities	\$12,238

· ·	
Henry County	
Non-Model Project	Amount
Henry County Cattlemen's Association, Inc.	\$294,000

The Henry County Cattlemen's Association, Inc. was approved for \$294,000 in Henry County funds to administer a menu approach for ten model programs including: Forage Resource Improvement and Utilization, Cattle Genetics, Cattle Handling Facilities, Farm Livestock Fencing, Hay, Straw & Commodity Storage, Technology, Goat & Sheep Diversification, Dairy Diversification, Timber Production & Utilization, and Agricultural Diversification.

Hickman County

Non-woder Project	Amount
Jackson Purchase Resource Conservation & Development Foundation, Inc.	\$15,040

Jackson Purchase Resource Conservation & Development Foundation Inc. was approved for \$7,520 in Hickman County funds and \$7,520 in state funds for the creation of a permanent Farmers' Market in Hickman County as part of the 2006 Farmers' Market Competitive Awards Program.

Jackson County

Non-Model Project	Amount
Appalachian Alternative Agriculture in Jackson	\$277,173

Appalachian Alternative Agriculture was approved for a total of \$277,173 from the following: \$154,700 in Jackson County funds; \$25,000 in Clay County funds; and \$97,473 in state funds. These funds will be used to construct a food processing center, a docking station for the mobile processing unit, and a farmers' market pavilion

Appalachian Alternative \$ 75,000 Agriculture in Jackson

Appalachian Alternative Agriculture was approved for \$75,000 in Jackson County funds to administer a menu approach for five model programs including: Dairy Diversification; Swine Diversification; Agricultural Diversification; Goat & Sheep Diversification; and Timber Production, Utilization, and Marketing.

Jackson County Cattlemen's \$100,000 Association, Inc.

The Jackson County Cattlemen's Association, Inc. was approved for \$100,000 in Jackson County funds to administer a Heifer Replacement Program.

<u>Jefferson County</u>

Non-Model Project	Amount
Metro Development Authority	\$75,000

The Metro Development Authority was approved for \$75,000 in state funds as part of the 2006 Farmers' Market Competitive Awards Program to conduct a feasibility study and business plan for a state of the art agricultural goods and marketing facility in downtown Louisville

Technology

<u>Jessamine County</u> Model Program	Amount	<u>Laurel County</u> Model Program	Amount
3		· ·	
Agricultural Diversification	\$19,700	Agricultural Diversification	\$ 5,000
Cattle Handling Facilities	\$50,000	Cattle Handling Facilities	\$30,000
Forage Improvement & Utilization	\$64,000	Farm Livestock Fencing	\$27,500
Goat & Sheep Diversification	\$27,000	Goat & Sheep Diversification	\$13,000
Non-Model Project		Hay, Straw, & Commodity Storage	\$40,000
Jessamine County FFA Alumni Association, Inc.	\$ 5,000	<u>Lawrence County</u> Model Program	Amount
Jessamine County FFA Alumni Ass was approved for \$5,000 in Jessar	mine County	Cattle Genetics Improvement	\$20,600
Funds to cost share on 4H/FFA pro	ojects.	Goat & Sheep Diversification	\$20,675
Jessamine County FFA Alumni Association, Inc.	\$41,000	Non-Model Project	
The Jessamine County FFA Alumni	Association,	Lawrence County Farm Bureau	\$ 4,286
Inc. was approved for \$41,000 in County Funds for the construction greenhouse to be located at East High School.	costs of a	The Lawrence County Farm Bureau proved for \$4,286 in Lawrence Couto purchase marketing materials as certified scales and tables for the withe Lawrence County Farmers' Mar	inty funds s well as rendors of
Johnson County	Amount	ize.	
Model Program	Amount	Lee County	
Agricultural Diversification	\$15,000	Model Program	Amount
Cattle Handling Facilities	\$20,000	Hay, Straw, & Commodity Storage	\$210,000
Kenton County		Shared-Use Equipment	\$ 16,195
Model Program	Amount	Lewis County	
Agricultural Diversification	\$14,264	Model Program	Amount
Knox County		Agricultural Diversification	\$ 35,636
Model Program	Amount	Cattle Genetics Improvement	\$ 38,423
Agricultural Diversification	\$14,665	·	
Cattle Handling Facilities	\$45,000	Farm Livestock Fencing	\$185,744
Forage Improvement & Utilization	\$12,000	Hay, Straw, & Commodity Storage	
Larue County		Timber Production	\$ 30,000
Model Program	Amount	Non-Model Project	
Agricultural Diversification	\$ 20,000	Lewis County Conservation District	\$ 50,000
Forage Improvement & Utilization	\$ 48,300	The Lewis County Conservation Dis	
Goat & Sheep Diversification	\$ 8,308	approved for \$50,000 in Lewis Cou to administer a Hay Handling Proje	
Hay, Straw, & Commodity Storage	· \$135.000	producers the ability to obtain hand ment for hay, straw, and grain.	

\$ 75,500

Tollesboro Lions Club, Inc. \$12,500

The Tollesboro Lions Club, Inc. was approved for \$12,500 in Lewis County funds for additions to the Dairy Barn and Fair Pavilion.

Lincoln County

Model Program	Amount
Cattle Genetics Improvement	\$25,000
Cattle Handling Facilities	\$25,000
Dairy Diversification	\$25,000
Forage Improvement & Utilization	\$25,000
Goat & Sheep Diversification	\$28,000
Hay, Straw, & Commodity Storage	\$90,000

Non-Model Project

Lincoln County Farm Bureau \$20,000

The Lincoln County Farm Bureau was approved for \$20,000 in Lincoln County funds to administer a program that will assist Lincoln County youth in the purchasing of reproductive female stock for cattle, sheep, and goats.

Logan County

Model Program	Αı	mount
Agricultural Diversification	\$	35,000
Cattle Genetics Improvement	\$	35,000
Cattle Handling Facilities	\$	30,000
Dairy Diversification	\$	30,000
Hay, Straw, & Commodity Storage	\$1	00,000
Technology	\$	10,000

Non-Model Project

Logan County Agricultural \$ 14,656 Extension Foundation, Inc.

The Logan County Agricultural Extension Foundation, Inc. was approved for \$14,656 in Logan County funds to purchase equipment to support a Livestock Marketing Initiative that will utilize the Logan County Farmers' Market facility that was recently constructed with the assistance of Agricultural Development Funds.

Logan County Agricultural \$ 40,000 Extension Foundation, Inc.

The Logan County Agricultural Extension Foundation, Inc. was approved for \$20,000

in Logan County Funds and \$20,000 in state funds as part of the Farmers' Market Competitive Awards Program to complete the Logan County Farmers' Market.

Logan County Agricultural Extension Foundation \$20,000

The Logan County Agricultural Extension Foundation, Inc. was approved for \$10,000 in state funds and \$10,000 in Logan County funds as part of the Farmers' Market Competitive Awards Program to provide an extension to the existing farmers' market.



Logan County Cattlemen's Association

\$40,289

The Logan County Cattlemen's Association, Inc. was approved for \$40,289 in Logan County funds to administer a menu program for three model programs including: Cattle Handling Facilities, Forage Improvement and Utilization, and Farm Livestock Fencing.

Lyon County

Model Program Amount

Hay, Straw, & Commodity Storage \$ 5,000

Non-Model Project

Caldwell-Lyon Cattlemen's \$10,000 Association, Inc.

Caldwell-Lyon Cattlemen's Association, Inc. was approved for \$10,000 in Lyon County funds to offer a Heifer Replacement Program.

Madison County

Model Program	Αı	mount
Cattle Genetics Improvement	\$	37,000
Farm Livestock Fencing	\$	77,100
Forage Improvement & Utilization	\$1	17,550
Hay, Straw, & Commodity Storage	\$1	62,900

Magoffin County

Model Program	Amount
Agricultural Diversification	\$36,100

Non-Model Project

Magoffin County Cattle Association \$36,558

Magoffin County Cattle Association, Inc. was approved for \$36,558 in Magoffin County funds to administer a menu program for three model programs including: Cattle Handling Facilities, Cattle Genetics Improvement, and the Swine Diversification.

Magoffin County Conservation \$73,116 District

The Magoffin County Conservation District was approved for \$73,116 in Magoffin County funds to administer a menu program for two model programs including: Farm Livestock Fencing Improvement, and Forage Improvement and Utilization.

Marion County

Model Program	Amount	
Agricultural Diversification	\$	20,000
Cattle Handling Facilities	\$	72,719
Dairy Diversification	\$	10,000
Forage Improvement & Utilization	\$	50,000
Goat & Sheep Diversification	\$	16,477
Hay, Straw, & Commodity Storage	\$2	292,000

Mason County

Non-Model Project	Amount
Buffalo Trace Area Development	\$150,000

Buffalo Trace Area Development District was approved for \$150,000 in Mason County funds to administer a menu approach for five model programs including: Farm Livestock Fencing; Cattle Handling Facilities; Cattle Genetics Improvement; Dairy Diversification; and Agricultural Diversification.

Buffalo Trace Area Development \$118,000 District

Buffalo Trace Area Development District was approved for \$118,000 in Mason County funds to administer a menu approach for three model programs including: Hay, Straw and Commodity Storage; On-Farm Water; and Forage Improvement and Utilization.

McCracken County

Model Program	Amount
Hay, Straw, & Commodity Storage	\$50,967

McLean County

Model Program	Amount
Commercial Poultry Diversification	\$41,154
Hay, Straw, & Commodity Storage	\$28,896
Technology	\$16,199
Non-Model Project	

McLean County Fiscal Court	\$ 9,700
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The McLean County Fiscal Court was approved for \$9,700 in McLean County funds to help with the installation of lights and perimeter fencing in the animal pavilion which is part of the McLean County 4-H Activities Center.

Meade County

Model Program	Amount
Cattle Genetics Improvement	\$13,700
Cattle Handling Facilities	\$ 9,100
Farm Livestock Fencing	\$18,600
Goat & Sheep Diversification	\$ 5,300
Hay, Straw, & Commodity Storage	\$13,500
Technology	\$16,500
Non-Model Project	
Kentucky Minority Farmers	\$ 1,850

Kentucky Minority Farmers was approved for \$1,850 in Meade County funds to purchase a livestock trailer.

Menifee County

Non-Model Project	Amount
Menifee County Beef Producers	\$ 6,500

Menifee County Beef Producers was approved for \$6,500 in Menifee County funds to assist in the construction of a facility to store the county's shared-use equipment.

Menifee County Beef Producers \$63,000

Menifee County Beef Producers was approved for \$63,000 in Menifee County funds to offer a menu approach for four model programs that includes: Farm Livestock Fencing Improvement, Hay Straw and Commodity Storage, Cattle Genetics Improvement, and Cattle Handling Facilities.

Menifee County Conservation \$60,000 District

Menifee County Conservation District was approved for \$60,000 in Menifee County funds to offer a menu approach for five model programs including: Forage Improvement and Utilization, Goat and Sheep Diversification, Agricultural Diversification, Timber Production Utilization and Marketing, and On-Farm Water Enhancement.

Mercer County

Model Program	Amount
Agricultural Diversification	\$25,000
Cattle Genetics Improvement	\$15,000
Cattle Handling Facilities	\$55,000
Dairy Diversification	\$20,000
Farm Livestock Fencing	\$80,000
Forage Improvement & Utilization	\$26,609
Goat & Sheep Diversification	\$45,000
Hay, Straw, & Commodity Storage	\$45,000

Non-Model Project

Burgin Independent FFA Chapter \$ 5,000

The Burgin Independent FFA Chapter was approved for \$5,000 in Mercer County Funds to remodel the existing greenhouse, and to purchase equipment needed for a productive working greenhouse facility.

Mercer County Fair & Horse Show \$29,250

Mercer County Fair & Horse Show was approved for \$29,250 in Mercer County funds for the construction of a facility for Mercer County farmers to use in the promotion, marketing, and sales of their livestock.

Metcalfe County

Model Program	Amount
Agricultural Diversification	\$28,250
Cattle Genetics Improvement	\$13,750
Cattle Handling Facilities	\$15,000
Forage Improvement & Utilization	\$75,000
On-Farm Water Enhancement	\$25,000

Monroe County

Model Program	Αı	mount
Goat & Sheep Diversification	\$	10,000

Non-Model Project

Monroe County Conservation	\$190,788
District	

The Monroe County Conservation District was approved for \$190,788 in Monroe County funds to administer a menu approach for seven model programs including: Dairy Diversification; Farm Livestock Fencing; Hay, Straw & Commodity Storage; On-Farm Water Enhancement; Cattle Handling Facilities; Cattle Genetics Improvement; and Forage Improvement.

Montgomery County

Model Program	Α	mount
Agricultural Diversification	\$	44,655
Farm Livestock Fencing	\$	30,422
Forage Improvement & Utilization	\$	44,470

Non-Model Project

Montgomery County Cattlemen's \$124,344 Association

Montgomery County Cattlemen's Association was approved for \$124,344 in Montgomery County funds to offer a menu approach for three model programs including: Hay Straw and Commodity Storage, Cattle Genetics Improvement, and Cattle Handling Facilities Program.

Montgomery County Farm Bureau \$ 19,000

Montgomery County Farm Bureau was approved for \$19,000 in Montgomery County funds to offer a Hay Handling Cost-share Program in Montgomery County.

Montgomery County Farmers' \$ 9,870 Market

Montgomery County Farmers' Market was approved for \$9,870 to administer a Satellite Broadband Program in Montgomery County.

Morgan County

Non-Model Project	A	mount
Morgan County Fiscal Court	\$	31,615

The Morgan County Fiscal Court was approved for \$31,615 in Morgan County funds to administer a Satellite Broadband Program in Morgan County.

Morgan County Fiscal Court \$250,000

The Morgan County Fiscal Court was approved for \$250,000 in Morgan County funds to administer a menu approach for five model programs including: Agricultural Diversification; Cattle Handling Facilities; Farm Livestock Fencing Improvement; Forage Improvement and Utilization; and Hay, Straw & Commodity Storage.

Muhlenberg County

Non-Model Project	Amount
Muhlenberg County Farmers Market Association, Inc.	\$63,628

Muhlenberg County Farmers' Market Association, Inc was approved for \$63,628 in Muhlenberg County funds to administer an On-Farm Drainage Enhancement Program which will provide cost-share assistance to producers who are installing tile drainage systems on their land.

Amount

Nelson County Model Program

Model i rogialii	_	mount
Cattle Genetics Improvement	\$4	40,000
Swine Diversification	\$	15,000
Nicholas County Model Program	A	mount
Agricultural Diversification	\$	39,495
Cattle Genetics Improvement	\$	21,029
Cattle Handling Facilities	\$	53,991
Farm Livestock Fencing	\$	114,066
Forage Improvement & Utilization	\$	48,623

Hay, Straw, & Commodity Storage \$ 43,169

On-Farm Water Enhancement \$ 10,209

Ohio County

Model Program Amount

Commercial Poultry Diversification \$77,658

Owen County

Model Program	Amount
Agricultural Diversification	\$50,000
Cattle Genetics Improvement	\$42,400
Farm Livestock Fencing	\$79,500
Shared-Use Equipment	\$32,250
Non-Model Project	
Mimi's Kitchen, LLC	\$41,000

Mimi's Kitchen, LLC was approved for \$41,000 in Owen County Funds to open a certified kitchen in Owen County that will provide producers a way for local farmers to earn extra income from products they produce.

Owen County Farm Bureau \$20,000

The Owen County Farm Bureau was approved for \$20,000 in Owen County funds to administer a Hay Handling project for the producers in Owen County.

Owsley County

Non-Model Project

Model Program	Amount	
Agricultural Diversification	\$105,000	
Cattle Handling Facilities	\$ 52,500	
Pendleton County		

Amount

Pendleton County Agricultural \$235,893 Diversification Association

The Pendleton County Agricultural Diversification Association was approved for \$235,893 in Pendleton County Funds to administer a menu approach for eleven model programs including: Hay, Straw and Commodity Storage; Cattle Genetics Improvement; Farm Livestock Fencing; Cattle Handling Facilities; Forage Improvement; Dairy Diversification; Goat and Sheep Diversification; Timber Production; Agricultural Diversification; Technology; and Swine Diversification.

Perry County

Non-Model Project Amount

Mountain Cattlemen's Association \$4,394

The Mountain Cattlemen's Association was approved for \$2,197 in Perry County funds and \$2,197 in state funds as part of the 2007 Farmers' Market Competitive Awards Program for market promotion.

Pulaski County

Non-Model Project	Amount
Pulaski County Cattlemen's Association	\$150,000
ASSOCIATION	

Pulaski County Cattlemen's Association was approved for \$150,000 in Pulaski County funds to offer a menu approach for two model programs including: Cattle Handling Facilities and Cattle Genetics Improvement.

Pulaski County Conservation \$135,000 District

Pulaski County Conservation District was approved for \$135,000 in Pulaski County funds to offer a menu approach for two model programs including: Forage Improvement and Utilization and Hay, Straw and Commodity Storage.

Pulaski County Horticulture \$ 65,000 Association

Pulaski County Horticulture Association was approved for \$65,000 in Pulaski County funds to offer a menu approach for two model programs including: Goat and Sheep Diversification and Agricultural Diversification.

Robertson County

Model Program	Αı	mount
Agricultural Diversification	\$	43,000
Cattle Genetics Improvement	\$	11,301
Cattle Handling Facilities	\$	50,000
Dairy Diversification	\$	19,000
Forage Improvement & Utilization	\$1	120,000
Hay, Straw, & Commodity Storage	\$1	100,000
On-Farm Water Enhancement	\$	30,000

Non-Model Project

Buffalo Trace Area Development \$80,000 District

The Buffalo Trace Area Development District was approved for \$80,000 in Robertson County funds to administer a Hay Handling Project. This will allow producers to improve the capacity, profit, and handling of hay and straw through more efficient handling equipment.

Rockcastle County

Non-Model Project Amount

Rockcastle County Goat Producers \$10,000 Association

The Rockcastle County Goat Producers Association was approved for \$10,000 in Rockcastle County funds to administer a menu approach for two model programs including the Goat and Sheep Diversification Program and the Farm Livestock Fencing Improvement Program.



Rowan County

Model Program	Amount
Agricultural Diversification	\$ 9,000
Cattle Genetics Improvement	\$11,700
Cattle Handling Facilities	\$ 3,184
Forage Improvement & Utilization	\$30,000
Hay, Straw, & Commodity Storage	\$ 9,674

Non-Model Project

Rowan County Fiscal Court \$ 9,239

Rowan County Fiscal Court was approved for \$9,239 in Rowan County Funds to administer a Heifer Replacement Program in Rowan County.

Russell County

Model Program	Amount
Agricultural Diversification	\$ 20,000
Technology	\$ 12,120

Non-Model Project

Russell County Cattleman's	\$ 20,800
Association	

The Russell County Cattleman's Association, Inc. was approved for \$20,800 in Russell County funds to administer a youth heifer chain.

Russell County Cattlemen's	\$125,000
Association	

The Russell County Cattlemen's Association was approved for \$125,000 in Russell County funds to administer a menu approach for three model programs including: Dairy Diversification; Hay, Straw & Commodity Storage; and Cattle Genetics Improvement.

Scott County

Non-Model Project	Amount
Scott County Beef Improvement Association	\$232,507

The Scott County Beef Improvement Association, Inc. was approved for \$232,507 in Scott County funds to administer a menu approach for eight model programs including: Cattle Handling, Cattle Genetics Improvement, Forage Improvement & Utilization, Agricultural Diversification, Technology, Goat & Sheep Diversification, On-Farm Water Enhancement and Hay, Straw & Commodity Storage.

Shelby County

Model Program	Amount	
Agricultural Diversification	\$ 50,000	
Non-Model Project		
Shelby County Cattlemen's Association	\$200,000	

The Shelby County Cattlemen's Association was approved for \$200,000 in Shelby County Funds to administer a menu approach for five model programs including: Goat and Sheep Diversification; Forage Improvement and Utilization; Cattle Genetics Improvement; Dairy Diversification; and Cattle Handling Facilities.

Shelby County Farm Bureau \$300,000

The Shelby County Farm Bureau was approved for \$300,000 in Shelby County Funds to administer a menu approach for three model programs including: Farm Livestock Fencing; Hay, Straw and Commodity Storage; and Technology.

Simpson County

Model Program	Amount
Agricultural Diversification	\$ 46,742
Forage Improvement & Utilization	\$105,000

Non-Model Project

Kentucky Specialty Grains, LLC \$631,510

Kentucky Special Grains, LLC was approved for \$500,000 in state funds and \$131,510 in county funds from the following counties to purchase equipment and construct a soybean processing facility in Simpson County: Simpson \$89,510; Warren \$5,000; Barren \$20,000; McLean \$1,000; Logan \$5,000; Allen \$1,000; and Ohio \$10,000.

Spencer County

Model Program	Amount
Agricultural Diversification	\$42,000
Cattle Handling Facilities	\$48,300
Dairy Diversification	\$13,600
Farm Livestock Fencing	\$73,500
Forage Improvement & Utilization	\$75,000
Goat & Sheep Diversification	\$10,000
Hay, Straw, & Commodity Storage	\$89,250
Swine Diversification	\$ 5,500
Non-Model Project	
Spencer County Farm Bureau	\$10,500

The Spencer County Farm Bureau, Inc. was approved for \$10,500 in Spencer County funds to administer a Satellite Broadband Program in Spencer County.

Taylor County

Model Program	Αı	mount
Cattle Handling Facilities	\$1	20,750
Goat & Sheep Diversification	\$	4,583
Hay, Straw, & Commodity Storage	\$	72,000
Technology	\$	10,000

Todd County

Model Program		Amount	
Agricultural Diversification	\$	16,650	
Farm Livestock Fencing	\$	76,100	
Hay, Straw, & Commodity Storage	\$1	02,650	

Non-Model Project

Todd County Conservation District \$ 81,500

The Todd County Conservation District was approved for \$81,500 in Todd County funds to administer an On-Farm Drainage Enhancement Program.

Trigg County

Non-Model Project	Amount
B & R Drennan Enterprises	\$412,500

B & R Drennan Enterprises, Inc. was approved for \$400,000 in state funds, \$7,500 in Trigg County funds, and \$5,000 in Lyon County funds to build a new facility and to upgrade their equipment to meet their need for future growth.

Trimble County

Non-Model Project	Amount
Trimble County Cattlemen's	\$185,000
Association	

The Trimble County Cattlemen's Association, Inc. was approved for \$185,000 in Trimble County funds to administer a menu approach for ten model programs including: Agricultural Diversification, Cattle Handling Facilities, Cattle Genetics Improvement, Dairy Diversification, Fencing Improvement, Forage Improvement & Utilization, Goat & Sheep Diversification, Hay, Straw & Commodity Storage, Swine Diversification and Timber Production & Utilization.

Union County

Non-Model Project	Amount
Union County Beef Cattle	\$2,248
Association	

Union County Beef Cattle Association, Inc. was approved for \$2,248 in Union County funds to purchase additional corral panels to be used as part of the annual Union County Bull and Heifer Sale held at the John A. Arnold Convention Center in Sturgis, Kentucky.

Warren County

Model Program	Amount
Agricultural Diversification	\$10,000
Cattle Genetics Improvement	\$30,000
Cattle Handling Facilities	\$29,649
Forage Improvement & Utilization	\$60,000
Goat & Sheep Diversification	\$15,000
Hay, Straw, & Commodity Storage	\$80,000

Washington County

Model Program	A	mount
Agricultural Diversification	\$	10,500
Forage Improvement & Utilization	\$	23,352

Non-Model Project

Washington County Cattlemen	\$375,000
Association	

The Washington County Cattlemen Association, Inc. was approved for \$375,000 in Washington County funds to continue to offer a project that includes funding for six model programs, mandatory record keeping and participation in a CPH45 sale.

Wayne County

Non-Model Project	Amount
Wayne County Agriculture Development Council	\$150,000

Wayne County Agriculture Development Council was approved for \$150,000 in Wayne County funds to administer a menu approach for ten model programs including: Agricultural Diversification; Dairy Diversification; Farm Livestock Fencing; Hay, Straw & Commodity Storage; Cattle Handling Facilities; Cattle Genetics Improvement; Swine Diversification; Goat & Sheep Diversification; Technology; and Forage Improvement.

Webster County

Model Program	Amount
Cattle Genetics Improvement	\$12,957

Non-Model Project

Green River Area Development \$12,957 District

Green River Area Development District, Inc. was approved for \$12,957 in Webster County funds for two model programs including: Hay, Straw & Commodity Storage and the Technology.

Whitley County

Model Program		Amount		
Agricultural Diversification	\$	16,000		
Shared-Use Equipment	\$	13,450		

Wolfe County

Non-Model Project Amount

Wolfe County Conservation District \$141,863

The Wolfe County Conservation District was approved for \$141,863 in Wolfe County funds to administer a menu approach for the Hay, Straw, and Commodity Storage Program and the Cattle Handling Facilities.

Woodford County

Non-Model Project	Amount
Wildside Vines, LLC	\$40,000

The Wildside Vines, LLC was approved for \$40,000 in state funds as part of the Agritourism Competitive Grant Program to expand their winery facility.

Woodford County Agriculture \$50,000 Advancement Council

The Woodford County Agriculture Advancement Council was approved for \$50,000 in Woodford County funds to administer a menu approach for two model programs including: Agricultural Diversification and Farm Livestock Fencing.

Woodford County Agriculture \$50,000 Advancement Council

The Woodford County Agriculture Advancement Council was approved for \$50,000 in Woodford County funds to administer a menu approach for three model programs including: Cattle Handling Facilities, Cattle Genetics Im-

provement, and Forage Improvement & Utilization.

Woodford County Agriculture \$50,000 Advancement Council

The Woodford County Agriculture Advancement Council was approved for \$50,000 in Woodford County funds to administer a menu approach for two model programs including: Hay, Straw, & Commodity Storage and Technology.

Woodford County Agriculture \$50,000 Advancement Council

The Woodford County Agriculture Advancement Council was approved for \$50,000 in Woodford County funds to administer a menu approach for two model programs including: On-Farm Water Enhancement & Utilization and Goat & Sheep Diversification.

State Funded Investments

Non-Model Project Amount

Allied Food Marketers West, Inc. \$1,900,000

Allied Food Marketers West, Inc. was approved for \$1,900,000 in state funds to continue their marketing and business development model for Kentucky producers with an additional focus on natural and organic producers.

Central Kentucky Growers \$ 120,000 Association, Inc.

Central Kentucky Growers Association, Inc. was approved for a maximum of \$120,000 in state funds to restructure their operating loans.

Kentucky Agriculture Council \$ 25,000

The Kentucky Agriculture Council was approved for \$25,000 in state funds to support the Task Force in developing the "Strategic Plan of Action for Agriculture."

Kentucky Corn Growers \$ 35,483 Association, Inc.

The Kentucky Corn Growers Association, Inc. was approved for \$35,483 in state funds to assist in the funding of a coordinator to oversee and coordinate a new in-depth educational program.

Kentucky Dairy Development Council, Inc.

\$2,068,170

The Kentucky Dairy Development Council, Inc. was approved for \$2,068,170 in state funds to provide technical assistance and financial incentives to Kentucky dairy farmers. This program will address the deficiency in Kentucky's milk production by improving efficiencies and increasing production per cow.

Kentucky Dairy Development Council

\$ 49,000

The Kentucky Dairy Development Council was approved for \$49,000 as a grant from the Kentucky Center for Agricultural Development and Entrepreneurship funds to contract for a comprehensive market study of Kentucky's dairy industry.

Kentucky Department of Agriculture

\$3,307,900

\$ 154,748

The Kentucky Department of Agriculture was approved for \$3,307,900 in state funds to continue the marketing initiatives which are currently promoting the Kentucky Proud Program.

Kentucky Forage and Grassland \$ 650,000 Council

The Kentucky Forage and Grassland Council was approved for \$650,000 in state funds to contract with the University of Kentucky, College of Agriculture, Plant and Soil Sciences to conduct a biomass and hay production applied research and demonstration project.

Kentucky Goat Producers Association

and forage research in Kentucky.

The Kentucky Goat Producers Association was approved for \$154,748 in state funds for goat

Kentucky Grape and Wine Council \$ 290,000

The Kentucky Grape and Wine Council was approved for \$290,000 in state funds to continue funding or the state viticulturist, enologist, and a technical support person for one year.



Kentucky Horticulture Council

\$2,484,700

The Kentucky Horticulture Council was approved for \$2,484,700 in state funds to continue to support the growth of horticulture on family farms through on-farm demonstrations and assistance, product and production system development, market development and market sustainability.

Kentucky Poultry Federation

\$825,716

The Kentucky Poultry Federation was approved for \$825,716 in state funds for Statewide Educational Programming and a Poultry House Evaluation Project.

Kentucky Poultry Federation

\$102,000

The Kentucky Poultry Federation was approved for \$102,000 in state funds to match private funds already raised to establish an indemnification program large enough to provide assistance to non-commercial poultry farmers in the event of an avian disease outbreak.

Kentucky Sheep and Wool

\$184,000

Producers

The Kentucky Sheep and Wool Producers, Inc. was approved for \$184,000 in state funds to establish the Kentucky Sheep and Goat Development Office.

Southern & Eastern Kentucky Tourism Development

\$ 50,000

The Southern & Eastern Kentucky Tourism Development was approved for \$50,000 in state funds as part of the Agri-tourism Competitive Awards Program to promote Agritourism ventures in their region.

University of Kentucky

\$146,360

The University of Kentucky was approved for \$146,360 in state funds to continue the funding for the Kentucky Agricultural Leadership Program for twenty agriculturalists.

University of Kentucky Research \$ 6,500 Foundation

The University of Kentucky Research Foundation was approved for \$6,500 in state funds to offer a pilot risk management program for Kentucky farm women.

University of Kentucky Research \$883,545 Foundation

The University of Kentucky Research Foundation was approved for \$883,545 in state funds to fund the Kentucky Entrepreneurial Coaches Institute for two eighteen-month classes.

Appendix C: Investments By Category

Capital Access			
A2006-0427	Central Kentucky Growers Association	Scott	\$120,000
A2007-0056	Kentucky Forage and Grassland Council	Fayette	\$650,000 \$770,000
Education: Adult			\$770,000
A2006-0484	University of Kentucky Research Foundation	Fayette	\$6,500
A2007-0091	Kentucky Corn Growers Association	Jefferson	<u>\$35,483</u> \$41,983
Education: Leadership			\$41,703
A2006-0202	University of Kentucky	Fayette	\$146,360
A2007-0026	University of Kentucky Research Foundation	Fayette	\$883,545 \$1,029,905
Education: Youth Developr	ment		\$1,029,905
A2006-0434	Jessamine County FFA Alumni Association	Jessamine	\$5,000
A2006-0489	Burgin Independent FFA Chapter	Mercer	\$5,000
A2006-0494	Jessamine County FFA Alumni Association	Jessamine	<u>\$41,000</u> \$51,000
Marketing: Agri-tourism			\$31,000
A2006-0353	Bennett's Mill Farm, LLC	Greenup	\$50,000
A2006-0361	Black Oak Vineyard	Caldwell	\$50,000
A2006-0362	Southern & Eastern Kentucky Tourism	Pulaski	\$50,000
A2006-0370	Farm Haven, LLC	Boone	\$50,000
A2006-0372	Beech Spring Farm	Clark	\$50,000
A2006-0373	Wildside Vines, LLC	Woodford	\$40,000
A2006-0374	Wight-Meyer Vineyard & Winery, LLC	Bullitt	<u>\$50,000</u> \$340,000
Marketing: Farmers' Market	et		
A2006-0289	Logan County Agricultural Extension Foundation	Logan	\$40,000
A2006-0401	Jackson Purchase RC&D	Hickman	\$15,040
A2006-0402	Metro Development Authority	Jefferson	\$75,000
A2006-0406	Carlisle County Fiscal Court	Carlisle	\$10,000
A2006-0408	City-County Fair Association, Inc.	Cumberland	\$30,000
A2006-0410	Hancock County Fiscal Court	Hancock	\$27,280
A2007 0004	Lawrence County Farm Bureau, Inc	Lawrence	\$4,286
A2007-0006 A2007-0070	Appalachian Alternative Agriculture Mountain Cattlemen's Association	Jackson	\$287,173
		Perry	\$4,394
A2007-0079	Logan County Agricultural Extension Foundation	Logan	<u>\$26,962</u> \$520,135
Marketing: Livestock/Equi	ne		
A2006-0199	Franklin County Fair and Horseshow Association	Franklin	\$12,488
A2006-0287	Tollesboro Lions Club, Inc.	Lewis	\$12,500
A2006-0290	Logan County Agricultural Extension Foundation	Logan	\$14,656
A2006-0424	Mercer County Fair & Horse Show, Inc.	Mercer	\$29,250
A2006-0468	Union County Beef Cattle Association, Inc.	Union	\$2,248
A2007-0053	McLean County Fiscal Court	McLean	\$9,700
			\$80,842

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Marketing: Other			
A2006-0198	Green County Cattlemen's Association, Inc.	Green	\$260,000
A2006-0293	Kentucky Department of Agriculture	Franklin	\$3,307,900
A2006-0412	Allied Food Marketers West, Inc.	Jefferson	\$1,900,000
A2006-0417	Owensboro Biotech Alliance, Inc.	Daviess	\$5,000
A2007-0098	Trunnell's Farm Market, Inc.	Daviess	<u>\$74,553</u>
Production: Beef			\$5,547,453
A2006-0480	Pulaski County Cattlemen's Association	Pulaski	\$130,000
A2006-0486	Jackson County Cattlemen's Association	Jackson	\$100,000
A2007-0035	Lincoln County Farm Bureau	Lincoln	\$20,000
A2007-0051	Gallatin County Livestock Association	Gallatin	\$90,000
A2007-0057	Washington County Cattlemen Association	Washington	\$375,000
A2007-0137	Woodford County Ag Advancement Council	Woodford	\$50,000
A2007-0155	Hardin County Extension District Board	Hardin	\$10,000
A2007-0182	Wayne County Agriculture Development Council	Wayne	\$150,000
A2007-0203	Morgan County Fiscal Court	Morgan	\$250,000
	morgan ocumy mocan ocum	o. ga	\$1,175,000
Production: Cattle			\$1,175,000
A2006-0305	Logan County Cattlemen's Association, Inc.	Logan	\$40,829
A2006-0400	Wolfe County Conservation District	Wolfe	\$141,863
A2006-0456	Estill County Cattlemen's Association, Inc.	Estill	\$94,500
A2006-0467	Montgomery County Cattlemen's Association	Montgomery	\$124,344
A2006-0472	Menifee County Beef Producers, Inc.	Menifee	\$111,745
A2006-0498	Rowan County Fiscal Court	Rowan	\$9,239
A2007-0007	Harrison County Beef Cattle Association	Harrison	\$75,000
A2007-0020	Shelby County Farm Bureau	Shelby	\$300,000
A2007-0021	Shelby County Cattleman's Association	Shelby	\$200,000
A2007-0034	Bath County Cattleman's Association	Bath	\$207,500
A2007-0039	Russell County Cattleman's Association, Inc.	Russell	\$25,800
A2007-0058	Henry County Cattleman's Association, Inc.	Henry	\$343,548
A2007-0062	Trimble County Cattleman's Association, Inc.	Trimble	\$218,967
A2007-0092	Woodford County Ag Advancement Council	Woodford	\$50,000
A2007-0096	Carroll County Agriculture Development Fund	Carroll	\$156,270
A2007-0138	Woodford County Ag Advancement Council	Woodford	\$50,000
A2007-0140	Clinton/Cumberland Cattlemen's Assoc., Inc.	Cumberland	\$128,000
A2007-0153	Scott County Beef Improvement Association	Scott	\$232,507
A2007-0247	Casey County Farm Bureau	Casey	\$350,000
Production: Dairy			\$2,860,112
40007.0404	Barrell County Below Adv	D !!	#405.000
A2007-0181	Russell County Dairy Advancement Council	Russell	\$125,000
			\$125,000

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Production: Forage/G	Grain		
A2006-0164	Buffalo Trace Area Development District	Robertson	\$48,715
A2006-0297	Lewis County Conservation District	Lewis	\$104,431
A2006-0309	Campbell County Conservation District	Campbell	\$7,665
A2006-0340	Todd County Conservation District	Todd	\$81,500
A2006-0444	Roundstone Native Seed, LLC	Hart	\$42,000
A2006-0447	Menifee County Conservation District	Menifee	\$60,000
A2006-0462	Montgomery County Farm Bureau	Montgomery	\$19,000
A2006-0481	Pulaski County Conservation District	Pulaski	\$135,000
A2006-0490	Bath County Conservation District	Bath	\$105,000
A2007-0050	Owen County Farm Bureau, Inc.	Owen	\$220,000
A2007-0160	Green River Area Development District, Inc.	Webster	\$12,957
A2007-0223	Monroe County Conservation District	Monroe	\$190,788
A2007-0226	Buffalo Trace Area Development District	Mason	\$118,000 \$1,145,054
Production: General A	Ag. Diversification		\$1,145,056
A2006-0299	Anderson County Farm Bureau, Inc.	Anderson	\$136,097
A2006-0324	Campbell County Conservation District	Campbell	\$29,291
A2006-0333	Bracken County Ag Advancement Council	Bracken	\$262,500
A2006-0376	Magoffin County Cattle Association, Inc.	Magoffin	\$36,558
A2006-0378	Magoffin County Conservation District	Magoffin	\$73,116
A2006-0384	Green County Cattlemen's Association, Inc.	Green	\$92,349
A2006-0440	Clinton County Farm Bureau	Clinton	\$245,000
A2006-0479	Pulaski County Horticulture Association	Pulaski	\$65,000
A2007-0033	Pendleton County Agricultural Diversification	Pendleton	\$470,723
A2007-0041	Elliott County Conservation District	Elliott	\$13,000
A2007-0052	Gallatin County Agricultural Diversification	Gallatin	\$80,000
A2007-0088	Appalachian Alternative Agriculture	Jackson	\$75,000
A2007-0097	Carroll County Agriculture Development Fund	Carroll	\$20,000
A2007-0122	Grant County Farm Bureau	Grant	\$20,000
A2007-0139	Woodford County Ag Advancement Council	Woodford	\$50,000
A2007-0184	Edmonson County Conservation District	Edmonson	\$49,000
A2007-0200	Anderson County Farm Bureau	Anderson	\$142,811
A2007-0225	Buffalo Trace Area Development District	Mason	\$150,000
A2007-0227	Hart County Cattlemen's Association, Inc.	Hart	\$150,000
A2007-0256	Garrard County Farm Bureau	Garrard	\$40,000
Duadwatian, Caat	,		\$2,200,445
Production: Goat			
A2006-0430	Kentucky Goat Producers Association, Inc.	Marshall	\$154,748
A2006-0491	Rockcastle County Goat Producers Association	Rockcastle	<u>\$10,000</u> \$164,748
Production: Greenhou	use		Ψ101,710
A2007-0129	Cumberland County Board of Education	Cumberland	\$60,000 \$60,000
Production: Poultry			φου, υ υυ
A2006-0460	Kentucky Poultry Federation	Fayette	\$102,000
A2006-0461	Kentucky Poultry Federation	Fayette	\$825,716
		•	\$927,716

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Research & Development			
A2007-0059	Leuchemix, Inc.	Fayette	<u>\$17,973</u> \$17,973
Shared Use - Livestock			4.1. /7.10
A2007-0119	Kentucky Minority Farmers, Inc.	Meade	<u>\$1,850</u> \$1,850
Shared Use - Other			\$1,650
A2006-0446	Menifee County Beef Producers, Inc.	Menifee	<u>\$6,500</u> \$6,500
Technical Assistance: Marketin	g/Feasibility Study		73,555
A2006-0474	Kentucky Dairy Development Council, Inc.	Fayette	<u>\$49,000</u> \$49,000
Technical Assistance: Other			Ψ47,000
A2006-0205 A2006-0337 A2006-0379 A2007-0090 A2007-0142 Technical Assistance: Technolo	Kentucky Dairy Development Council, Inc. Kentucky Horticulture Council, Inc. Kentucky Sheep & Wool Producers, Inc. Kentucky Grape and Wine Council Kentucky Agriculture Council	Fayette Fayette Fayette Franklin Calloway	\$2,068,170 \$2,484,700 \$184,000 \$290,000 <u>\$25,000</u> \$5,051,870
A2006-0397 A2006-0409 A2006-0445 A2007-0042 A2007-0170	Spencer County Farm Bureau, Inc. Morgan County Fiscal Court Carroll County Agriculture Development Fund Montgomery County Farmer's Market Gallatin County Livestock Association	Spencer Morgan Carroll Montgomery Gallatin	\$5,725 \$7,754 \$11,279 \$9,870 <u>\$15,000</u> \$49,628
Value-added Processing: Meat/Poultry/Aquaculture			
A2006-0002	B & R Drennan Enterprises, Inc.	Trigg	<u>\$412,500</u> \$412,500
Value-added Processing: Other			
A2006-0209	Kentucky Specialty Grains, LLC	Simpson	<u>\$631,510</u> \$631,510
Grand Total:		!	\$23,260,225

Kentucky Agricultural Finance Corporation

Executive Summary

aking sound investments are imperative for the success of any business or organization. The Kentucky Agricultural Finance Corporation (KAFC) has strived to develop loan programs that provide farmers access to capital for business decisions that improve net farm income. By focusing on long term projects and by giving farmers flexibility in their financial decisions, the KAFC has enabled numerous agricultural producers to leverage their own assets to secure affordable loans for the betterment of their farming operations.

When the KAFC was originally created by statute in 1984, it was envisioned that the entity would make funds available to young farmers wanting to purchase farmland. Changes made to the Beginning Farmer Loan Program (BFLP) guidelines in 2006 have resulted in 15 new loans being approved for beginning farmers during the fiscal year. These loans included financing for farm purchases, construction projects, equipment and breeding stock.

Along with the emerging BFLP, the Agricultural Infrastructure Loan Program (AILP) experienced significant growth in activity. Farmers have been able to realize measurable savings in interest rates as a result of these two programs. The AILP has provided financing for the construction and/or the acquisition of farm structures such as poultry and livestock barns, grain facilities, to-bacco barns, and general farm renovations.

Lenders representing the Farm Credit System and commercial banks have been the catalyst in making these programs successful. By working directly with their local lenders, farmers have the ability to deal with someone who is already familiar with their management style, financial strengths, growth plans, and investment opportunities. These same lenders help the KAFC analyze the prudence of the decision, as well as prepare the applications, monitor the construction, file the legal documents, and facilitate the transfer of funds. The Governor's Office of Agricultural Policy (GOAP) staff truly appreciates the willingness of Kentucky's agricultural lenders in partnering with the KAFC by offering these programs.

The KAFC continues to offer other financing opportunities to agricultural entities that provide growth potential and marketing opportunities for Kentucky grown agricultural commodities. Although many potential applicants receive their requested financial assistance directly from the Kentucky Agricultural Development Board (KADB), KAFC staff members continue to discuss the financing options available via low interest loans.

Ownership of the property formerly known as the West Kentucky Growers Cooperative in Owensboro was transferred to the KAFC in early 2006. A three year lease arrangement on the facility was awarded to Cabbage Inc. of Westlake, OH for the operation of a regional hub. In 2007 local farmers were able to grow produce under contract with the entity. Intentions are to expand the growing options significantly in 2008.

Programs coordinated by the GOAP under the leadership of Governor Ernie Fletcher promote sound stewardship of the state's resources while providing financial tools that assist Kentucky farmers in improving their profitability and competitiveness. The loan programs offered by the KAFC are playing a critical role in distributing capital for agricultural investment in a manner that will preserve these funds for additional future opportunities.

KAFC Programs

Agricultural Infrastructure Loan Program (AILP)

The Kentucky Agricultural Finance Corporation (KAFC) approved a total of \$4,177,247 in loans to 80 borrowers during FY2007, the second year for the program. The AILP is designed to assist Kentucky's farmers in financing long-term projects that will improve their financial viability. These funds can be used to expand, remodel or construct buildings or farm structures for agricultural purposes only. A producer who can document tobacco history may qualify for 2% interest on KAFC loan funds. The loan must be serviced by a participating lending institution. The cap for an AILP loan is \$100,000 or 50% of the project cost.

Equine Facilities- Joe Estes of Warren County received a \$12,234 KAFC AILP loan to construct this 40' x 60' horse barn and loafing shed through Farm Credit Services of Bowling Green. The new barn is providing Mr. Estes' Tennessee Walking Horses an attractive and comfortable boarding and foaling environment.



Poultry Complexes- This two house pullet complex located on the Lone



Oak Farm in Wayne County is owned by Dale and Kathie Denney. Farm Credit Services of Somerset facilitated this \$100,000 KAFC AILP loan. The grower expansion initiative being carried out by Cobb Vantress, Inc. of Monticello is creating numerous opportunities for farmers in southern Kentucky.

Swine Facilities- Marsh and Jill Hunt of Carlisle County built two 100' x 198' grower barns to raise gilts under contract for Tosh Farms of Henry, TN. The \$100,000 KAFC AILP loan extended by Heritage Bank of Murray, KY has been mirrored by other lenders in western Kentucky as the interest in pork production is gaining momentum.





Greenhouses and Other Agricultural Structures-

Rider's Mill Farms, dba Roundstone Native Seed, has developed a growing native seed production business on their farm in Hart County. The owners, John and William Seymour, used a \$67,693 KAFC AILP loan through Citizens First Bank of Munfordville to construct a greenhouse, expand their seed warehouse, and renovate other facilities.

Agricultural Processing Loan Program (APLP)

The APLP provides loan opportunities to companies that add value to Kentucky-grown agricultural commodities through further processing. The KAFC approved a total of \$1,303,000 in loans to three borrowers during FY2007.

Processing Equipment- Pittman Creek Wood Products, LLC (PCWP) of Pulaski County is owned by Joe, Kenton, and Todd Ball. PCWP received a \$53,000 direct KAFC APLP loan to purchase a commercial firewood processing machine, a truck scale, and two loaders. The Balls are purchasing cull and lower valued timber from local farmers and marketing it as firewood through various channels.



KAFC Programs

Beginning Farmer Loan Program (BFLP)

The BFLP is designed to assist emerging farmers who wish to create, expand or buy into a farming operation. Loan funds may be used to purchase land, equipment, livestock, facilities, or to buy into an existing partnership or LLC. Loans must be originated and serviced by participating lenders. This program has a limit of \$100,000 or 50% of the outstanding debt held by the participating lender. The KAFC approved 16 BFLP loans totaling \$842,857 in FY 2007.



Farmland and Infrastructure Acquisitions- Richard and Randi Jury of Nelson County have accessed the KAFC BFLP twice as a source of down payment funds for two small farms. The \$43,750 in financing was coordinated through Farm Credit Services of Elizabethtown. In addition to managing *Stone Creek Farm*, Mr. Jury is increasing his personal farming investment by expanding his tobacco and beef cattle production.

Coordinated Value-Added Assistance Loan Program (CVAALP)

The CVALP was created to offer loans to entities in Kentucky that are expanding their operation to provide new contracting opportunities to Kentucky farmers. KAFC will finance loans of up to \$1,000,000 with a limit of \$100,000 for each new grower opportunity created. One CVAALP loan was approved in FY 2007 in the amount of \$967,110.

Production Opportunities for Area Farmers- Burton Livestock, LLC received a \$967,110

CVAALP loan from the KAFC. The KAFC funds are helping the Burtons expand in an expedited manner. Harold and Shannon Burton of Mason County have been raising replacement heifers for larger dairy farms for several years. Funding from the Kentucky Agricultural Development Board enabled the Burtons to construct a calf barn, commodity shed, and working facility to serve as a logistics hub for their operation. Over 40 area farmers are involved in raising calves a part of this project.



Linked Deposit Investment Program (LDIP)

The LDIP, unlike the other KAFC loan programs that originate from Agricultural Development Funds, is funded through the state's Abandoned and Unclaimed Property Account. Loans from this program must be made by an eligible depository lender. Approved borrowers can receive loans fixed at prime with terms of up to seven years. Thirty new loans totaling \$1,513,300 were originated from this program in FY2007.

KAFC Financial Status Report

Kentucky Agricultural Finance Corporation

Balance Sheet	June 30, 2006	June 30, 2007
Assets:		
Interest Fund	253,046.96	973,721.32
Loan Fund	4,522,139.82	8,608,623.01
Funds Loaned	10,477,860.18	14,391,376.99
Funds Held by KADB	1,000,000.00	
Funds Held by State	7,000,000.00	3,000,000.00
Total Assets	23,253,046.96	26,973,721.32
Funds Committed but not Disbursed		June 30, 2007
AILP		2,602,199.39
APLP		1,250,000.00
BFLP		346,071.00
CVAALP		0.00
Total Committed but not Disbursed 4,198,3		4,198,270.39
Income Statement	For the Year	Ended June 30, 2007
Grant Funds Received		3,000,000.00
Interest Earned from Loans		392,820.55
Interest Earned from State Investment Commission		327,853.81
Net Income		3,720,674.36

KAFC Board Members & Staff

Statutory Members

Richie Farmer, Commissioner of Agriculture (Chair)

John Farris, Secretary of Finance and Administration

Appointed Members

Bobby J. Gaslin

Financial Services Officer Hardin County Term Expires: June 2010

Wayne Hunt

Cash Grain Farmer Christian County

Term Expires: February 2011

Larry Jaggers

Dairy Farmer Hardin County

Term Expires: June 2009

Doug Lawson

Commercial Lending Officer Calloway County

Term Expires: June 2007

Billy Joe Miles

Tobacco Farmer **Daviess County**

Term Expires: June 2008

Charles Miller

Livestock Farmer Jessamine County

Term Expires: June 2009

Frank A. Penn

Equine Industry Representative

Fayette County

Term Expires: June 2009

Bob D. Proffitt

Horticultural Producer Oldham County

Term Expires: June 2007

James T. Reams

Commercial Lender Pulaski County

Term Expires: June 2009

Annette Crawford Walters

Former Commercial Lending Officer

Mason County

Term Expires: June 2009

Staff

Keith Rogers

Executive Director

Catherine Ball

General Counsel

Bill Hearn

Budget Officer

Tim Hughes

Marketing & Business Development

Coordinator

Bill McCloskey, III

Project Analyst

Joel Neaveill

Deputy Director for Administration

Nicole Ray

Administrative Assistant and Marketing Specialist KY Agricultural Finance

Corporation Board Secretary



Governor's Office of Agricultural Policy

404 Ann Street Frankfort, KY 40601

http://agpolicy.ky.gov

Governor Fletcher and the Kentucky Legislature continue to make great strides toward lessening Kentucky's dependence on tobacco production while revitalizing the farm economy by investing 50 percent of Kentucky's Master Settlement Agreement into the Kentucky Agricultural Development Fund. The Kentucky Agriculture Development Board has funded an array of county, regional and state projects designed to increase net farm income and create sustainable new farm-based business enterprises.

